

ALLIANCE DATA SYSTEMS CORP  
 Form 3  
 March 08, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Santillan Laura		(Month/Day/Year)	ALLIANCE DATA SYSTEMS CORP [ADS]	
(Last)	(First)	(Middle)	02/25/2010	
17655 WATERVIEW PARKWAY			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
DALLAS,Â TXÂ 75252			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer (give title below)	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			SVP, Chief Acctg. Officer	<input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	15,848 <sup>(1)</sup>	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
		Title			

Date Exercisable	Expiration Date	Amount or Number of Shares	or Indirect (I) (Instr. 5)
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# Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Santillan Laura 17655 WATERVIEW PARKWAY DALLAS, TX 75252	^	^	^ SVP, Chief Acctg. Officer	^

# Signatures

Leigh Ann K. Epperson, Attorney  
in Fact

03/08/2010

\*\*Signature of Reporting Person                      Date

# Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 5(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The total number of securities beneficially owned includes: (a) 5,430 unrestricted shares; (b) 400 shares held in an IRA account; (c) 1,530 unvested shares from an original award of 4,500 time-based restricted stock units granted 4/28/08 which are scheduled to vest on 2/21/11; (d) 2,948 unvested shares from an award of 4,400 performance-based restricted stock units granted 2/23/09, of which 1,452 units will vest on 2/23/11 and 1,496 units will vest on 2/23/12; (e) 4,432 unvested performance-based restricted stock units granted 2/22/10, which may be adjusted up or down at the time the performance restriction lapses. The restriction may lapse with respect to 33% of such shares on each of 2/22/11 and 2/22/12 and with respect to 34% of such shares on 2/22/13 contingent on meeting a cash earnings per share growth hurdle for 2010 and subject to continued employment by the Reporting Person on the vesting dates; (continued below)

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**Remarks:**  
 (1) ^ continued ^ from ^ above: ^ ^ and ^ (f) ^ 1,108 ^ unvested ^ time-based ^ restricted ^ stock ^ units ^ granted ^ 2/22/10, ^

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.